

1 DENNIS K. BURKE  
 United States Attorney  
 2 District of Arizona  
 Jonathan B. Granoff  
 3 Assistant United States Attorney  
 United States Courthouse  
 4 405 W. Congress, Suite 4800  
 Tucson, Arizona 85701  
 5 Telephone: (520) 620-7300  
 Jonathan.Granoff@usdoj.gov  
 6 Attorneys for Plaintiff

7 UNITED STATES DISTRICT COURT

8 DISTRICT OF ARIZONA

9 United States of America, )

10 Plaintiff, )

11 v. )

12 Chris Nero, )

13 Defendant. )

NO. CR 08-0744-TUC-CKJ (JCG)

**GOVERNMENT'S SUMMARY OF  
 PROPOSED TESTIMONY FOR  
 SENTENCING**

15  
 16 The government, by and through its attorneys, Dennis K. Burke, United States  
 17 Attorney for the District of Arizona, and Jonathan B. Granoff, Assistant U.S. Attorney,  
 18 hereby respectfully submits a summary of the proposed testimony it intends to offer at the  
 19 sentencing hearing.

20 The government intends to call Special Agent Brian Watson of the Internal Revenue  
 21 Service. Agent Watson will provide summary testimony concerning a portion of the  
 22 mortgage fraud scheme perpetrated by the defendant. Relating to some of the real estate  
 23 transactions, the defendant, through his company, M.I.H., initially purchased the property at  
 24 a lower price. Thereafter, he would engage in a quick flip of the property, selling it to a  
 25 straw buyer at a much higher price. The defendant generally would pay or promise a future  
 26 payment to the straw buyer if the buyer purchased the property. The defendant, through his  
 company, would additionally receive cash back proceeds on each of these transactions.

1 Government's exhibit A, attached to this pleading, summarizes these transactions and the  
2 cash back received by the defendant or his company for each of these deals. Exhibit B shows  
3 a summary of this part of the fraud scheme relating to one of the properties, 5618 S. Forest  
4 Avenue.

5 Additionally, Agent Watson will explain that in some of the real estate transactions  
6 involved in this fraud scheme, the circumstantial evidence established that the defendant  
7 would provide part of the down payments or cash to close the deal on behalf of the straw  
8 buyer. In these transactions, the evidence establishes the defendant would provide these  
9 down payments using the fraudulently obtained loan proceeds he had received from the same  
10 loan that the straw buyer had applied for.

11  
12 Respectfully submitted this 4<sup>th</sup> day of November, 2010.

13 DENNIS K. BURKE  
14 United States Attorney  
District of Arizona

15 *s/Jonathan B. Granoff*  
16 Jonathan B. Granoff  
Assistant U.S. Attorney

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18  
19 A copy of the foregoing has been served electronically or by other  
20 means this 4<sup>th</sup> day of November, 2010, to:

21 Andrea Matheson, Esq.  
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